

SENATE MOTION

MADAM PRESIDENT:

I move that Engrossed House Bill 1055 be amended to read as follows:

- 1 Page 1, between lines 4 and 5, begin a new paragraph and insert:
- 2 **"Sec. 1. This chapter is effective July 1, 2009."**
- 3 Page 1, line 5, delete "1." and insert "2."
- 4 Page 1, line 12, delete "2." and insert "3."
- 5 Page 1, line 14, delete "3." and insert "4."
- 6 Page 2, line 1, delete "4." and insert "5."
- 7 Page 2, line 24, delete "5." and insert "6."
- 8 Page 2, line 37, delete "directly to the provider" and insert **"in the**
- 9 **manner described in subsection (b).**
- 10 **(b) In making a benefit payment under this chapter, the insurer**
- 11 **shall do the following:**
- 12 **(1) Except as provided in subsection (c), make the payment**
- 13 **jointly payable to both the:**
- 14 **(A) provider as the first named payee; and**
- 15 **(B) covered individual;**
- 16 **to require endorsement by each person.**
- 17 **(2) Provide with the payment the following information to the**
- 18 **covered individual:**
- 19 **(A) Notice that:**
- 20 **(i) the payment is the insurer's payment; and**
- 21 **(ii) the covered individual is responsible for any**
- 22 **remaining amount;**
- 23 **of the provider's claim.**
- 24 **(B) Instructions that the covered individual should endorse**
- 25 **and forward the payment instrument to the provider.**
- 26 **(3) Provide to the provider, either by electronic mail or mail,**
- 27 **the explanation of benefits or remittance advice for the health**
- 28 **care services rendered to the covered individual at the time**
- 29 **the payment is made to the covered individual.**
- 30 **(c) An insurer shall make payment only to a covered individual**
- 31 **for health care services rendered by a provider if the insurer is**

1 notified that the covered individual has made full payment to the
 2 provider for the health care services for which a claim for payment
 3 is made.

4 (d) This section does not prohibit an insurer from voluntarily
 5 issuing payment:

6 (1) directly; and

7 (2) made payable only;

8 to a provider.".

9 Page 2, delete lines 38 through 42.

10 Page 3, delete line 1.

11 Page 3, line 2, delete "(c)" and insert "(e)".

12 Page 3, line 7, delete "6." and insert "7.".

13 Page 3, line 12, delete "7." and insert "8.".

14 Page 3, line 16, delete "5" and insert "6".

15 Page 3, line 21, delete "not directly to the".

16 Page 3, line 22, delete "provider but".

17 Page 3, line 31, delete "8." and insert "9.".

18 Page 3, line 35, delete "5" and insert "6".

19 Page 4, line 7, delete "9." and insert "10.".

20 Page 4, line 11, delete "10." and insert "11.".

21 Page 4, line 16, delete "11." and insert "12.".

22 Page 5, between lines 4 and 5, begin a new paragraph and insert:

23 "Sec. 1. This chapter is effective July 1, 2009.".

24 Page 5, line 5, delete "1." and insert "2.".

25 Page 5, line 11, delete "2." and insert "3.".

26 Page 5, line 21, after "payment" insert "in the manner described in
 27 subsection (b)."

28 (b) In making a benefit payment under this chapter, the health
 29 maintenance organization shall do the following:

30 (1) Except as provided in subsection (c), make the payment
 31 jointly payable to both the:

32 (A) provider as the first named payee; and

33 (B) enrollee;

34 to require endorsement by each person.

35 (2) Provide with the payment the following information to the
 36 enrollee:

37 (A) Notice that:

38 (i) the payment is the health maintenance organization's
 39 payment; and

40 (ii) the enrollee is responsible for any remaining amount;
 41 of the provider's claim.

42 (B) Instructions that the enrollee should endorse and
 43 forward the payment instrument to the provider.

44 (3) Provide to the provider, either by electronic mail or mail,
 45 the explanation of benefits or remittance advice for the health
 46 care services rendered to the enrollee at the time the payment
 47 is made to the enrollee.

(c) A health maintenance organization shall make payment only to an enrollee for health care services rendered by a provider if the health maintenance organization is notified that the enrollee has made full payment to the provider for the health care services for which a claim for payment is made.

(d) This section does not prohibit a health maintenance organization from voluntarily issuing payment:

(1) directly; and

(2) made payable only;
to a provider."

Page 5, delete lines 22 through 28.

Page 5, line 29, delete "(c)" and insert "(e)".

Page 5, line 35, delete "3." and insert "4."

Page 5, line 42, delete "4." and insert "5."

Page 6, line 2, delete "2" and insert "3".

Page 6, line 18, delete "5." and insert "6."

Page 6, line 20, delete "2" and insert "3".

Page 6, line 34, delete "6." and insert "7."

Page 6, line 35, delete "2" and insert "3".

Page 6, line 39, delete "7." and insert "8."

Page 6, line 40, delete "8." and insert "9."

Page 7, after line 22, begin a new paragraph and insert:

"SECTION 3. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "department" refers to the department of insurance.

(b) The department shall establish rules under IC 4-22-2 to do the following:

(1) Require an insurance company or a health maintenance organization to submit the costs that the insurer or health maintenance organization will incur to implement IC 27-8-5.9 and IC 27-13-36.3, both as added by this act.

(2) Require each provider that intends to receive benefit payments under IC 27-8-5.9 and IC 27-13-36.3, both as added by this act, to inform the department in writing of the provider's:

(A) intent; and

(B) estimate of the number of claims that will be submitted by the provider under IC 27-8-5.9 and IC 27-13-36.3, both as added by this act.

(3) Calculate and charge to each provider that receives benefit payments under IC 27-8-5.9 and IC 27-13-36.3, both as added by this act, the provider's proportionate share of the costs submitted under subdivision (1) based on the number of claims submitted by the provider under IC 27-8-5.9 and IC 27-13-36.3, both as added by this act.

(4) Collaborate with the professional licensing agency to collect the amount determined under subdivision (3) from each provider.

1 (c) The professional licensing agency shall collaborate with the
2 department as described in subsection (b)(4) and collect the
3 amount determined under subsection (b)(3) from a provider
4 described in this SECTION.

5 (d) The professional licensing agency and the department shall
6 determine a means to pay to each insurance company and health
7 maintenance organization the insurance company's or health
8 maintenance organization's proportionate share of the amount
9 collected under subsection (c) based on the costs submitted by the
10 insurance company or health maintenance organization under
11 subsection (b)(1). The professional licensing agency and the
12 department may use a portion of the money collected under
13 subsection (c) to pay for the administration of this SECTION."

14 Page 7, after line 22, begin a new paragraph and insert:

15 "SECTION 3. An emergency is declared for this act."

16 Renumber all SECTIONS consecutively.

(Reference is to EHB 1055 as printed February 22, 2008.)

Senator DILLON